DRAFT

Agenda ID #3303 Ratesetting 3/16/04 Item 20

Decision	

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of California Water Service Company (U 60 W), a Corporation, for an Order Authorizing It to Increase Rates Charged for Water Service at Each of Its Operating Districts to Recover Increased Operating Expenditures at Its General Office.

Application 01-09-062 (Filed September 21, 2001)

And Related Matters.

Application 01-09-063
Application 01-09-064
Application 01-09-065
Application 01-09-066
Application 01-09-067
Application 01-09-069
Application 01-09-070
Application 01-09-071
Application 01-09-072
Application 01-09-073
Application 01-09-074

OPINION GRANTING INTERVENOR COMPENSATION AWARD

This decision grants Aglet Consumer Alliance (Aglet) \$1,992.16 for its substantial contribution to Decision (D.) 04-01-052.

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Background

In D.03-09-021, the Commission resolved applications for rate increases in 15 out of the 24 districts in which California Water Service Company (Cal Water) provides water service. The Commission, in D.03-12-051, subsequently granted Aglet \$44,454.44 for its substantial contribution to the rate case decision.

Cal Water filed an application for rehearing of D.03-09-021. The Commission's Office of Ratepayer Advocates (ORA) and Aglet filed responses to the application. Aglet seeks \$1,992.16 in compensation for its work on the response.

Aglet states that it substantially contributed on all four issues it raised in the response to the application for rehearing. Specifically, Aglet states that the Commission adopted its position on the issues of official notice, standard of review, outside services expenses, and postage expenses.

Requirements for Awards of Compensation

The intervenor compensation program enacted in Pub. Util. Code §§ 1801-1812, requires that the intervenor satisfy all of the following procedures and criteria to obtain a compensation award:

- 1. The intervenor must be a customer or a participant representing consumers, customers, or subscribers of a utility subject to our jurisdiction. (§ 1802(b).)
- 2. The intervenor must satisfy certain procedural requirements including the filing of a sufficient notice of intent to claim compensation within 30 days of the prehearing conference (or in special circumstances, at other appropriate times that we specify). (§ 1804(a).)

- 3. The intervenor must file and serve a request for a compensation award within 60 days of our final order or decision in a hearing or proceeding. (§ 1804(c).)
- 4. The intervenor must demonstrate significant financial hardship. (§ 1804(b)(1).)
- 5. The intervenor's presentation must have made a substantial contribution to the proceeding, through the adoption, in whole or in part, of the intervenor's contention or recommendations by a Commission order or decision. (§ 1803(a).)
- 6. The claimed fees and costs are comparable to the market rates paid to experts and advocates having comparable training and experience and offering similar services. (§ 1806.)

For discussion here, the procedural issues in Items 1-3, and the significant financial hardship issue identified in Item 4, above, are combined, followed by separate discussion on Items 5-6.

Procedural Issues

The second Prehearing Conference in this matter was held on April 22, 2002. Aglet timely filed its Notice of Intent (NOI) on April 26, 2002, and the assigned Administrative Law Judge (ALJ) issued a ruling that found Aglet to be a customer under the Public Utilities Code, and to have made the required showing of significant financial hardship. Aglet filed its second request for compensation on January 29, 2004, within the required 60 days of D.04-01-052. Aglet has satisfied all the procedural requirements necessary to make its request for compensation.

Substantial Contribution

Aglet has been an active and productive participant in this proceeding. The record shows that Aglet's presentation in its response to Cal Water's rehearing application was persuasive and relied on by the Commission. We therefore find that Aglet made a substantial contribution to D.04-01-052. That contribution was also productive, in that the quantifiable and other benefits to ratepayers arising from Aglet's contribution greatly exceed Aglet's costs.

Reasonableness of the Requested Compensation

Aglet requested \$1,992.16 as follows:

	TOTAL	\$1,992.16
Misc. Expenses	(copies, fax, travel)	<u>\$ 67.16</u>
Travel and Compensation Request	2.1 hours @ \$110	\$ 231.00
Professional Time	7.7 hours @ \$220	\$1,694.00

The components of this request, which is unopposed, constitute reasonable fees and costs when compared to market rates, as reflected in prior Commission awards, for similar services from comparably qualified persons. The claimed expense amount constitutes less than 4% of the total award, which we also consider reasonable.

Award

We award Aglet \$1,992.16, to be paid by Cal Water. Consistent with previous Commission decisions, we will order that, after the 75th day after Aglet filed its compensation request, interest be paid on the award amount at the rate earned on prime, three-month commercial paper, as reported in

Federal Reserve Statistical Release H.15. Interest will continue on this award until the utility makes full payment.

We remind all intervenors that Commission staff may audit their records related to this award and that intervenors must make and retain adequate accounting and other documentation to support all claims for intervenor compensation.

Waiver of Comment Period

This is an intervenor compensation matter. Accordingly, as provided by Rule 77.7(f)(6) of our Rules of Practice and Procedure, we waive the otherwise applicable 30-day comment period for this decision.

Assignment of Proceeding

Susan P. Kennedy is the Assigned Commissioner and Maribeth A. Bushey is the assigned ALJ in these proceedings.

Findings of Fact

- 1. Aglet represents consumers, customers, or subscribers of Cal Water, and it has met the requirement to demonstrate financial hardship.
- 2. Aglet timely filed its NOI to claim compensation and its request for compensation.
- 3. Aglet materially contributed to the Commission's evaluation of Cal Water's rehearing application.
- 4. Aglet's requested hourly rates are reasonable when compared to the market rates for persons with similar training and experience, and its other expenses are reasonable.
 - 5. The total of these reasonable fees and expenses is \$1,992.16.

Conclusion of Law

Aglet has fulfilled the requirements of Pub. Util. Code §§ 1801-1812, which govern awards of intervenor compensation, and is entitled to intervenor compensation for its claimed fees and expenses incurred in making substantial contribution to D.04-01-052.

ORDER

IT IS ORDERED that:

- 1. The Aglet Consumer Alliance (Aglet) is awarded \$1,992.16 as compensation for its substantial contributions to Decision 04-01-052.
- 2. Within 30 days of the effective date of this decision, California Water Services Corporation (Cal Water) shall pay Aglet \$1,992.16.
- 3. Cal Water shall also pay interest on the award beginning April 13, 2004, at the rate earned on prime, three-month commercial paper as reported in Federal Reserve Statistical Release H.15, and continuing until full payment is made.

This order is e	ffective today.
Dated	,at San Francisco, California.

Compensation Decision Summary Information

Compensation Decision:	D
Contribution Decisions:	D0401052
Proceeding:	A0109062 et al.
Author:	ALJ Bushey
Payer:	California Water Service Company

Intervenor Information

Intervenor	Claim Date	Amount Requested	Amount Awarded	Reason
Aglet Consumer Alliance	1/30/2004	\$1,992.16	\$1,992.16	

Advocate Information

First Name	Last Name	Туре	Intervenor	Hourly Fee Requested	Year Hourly Fee Requested	Hourly Fee Adopted
James	Weil	Expert	Aglet Consumer Alliance	\$220	2003	\$220